House of Representatives

File No. 898

General Assembly

January Session, 2015

(Reprint of File No. 17)

House Bill No. 6149
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 27, 2015

AN ACT CONCERNING MEDICAID COVERAGE OF TELEMONITORING SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective July 1, 2015*) (a) For purposes of this section:

(1) "Department" means the Department of Social Services.

(2) "Evidence-based best practices" means the integration of the best available research with clinical expertise in the context of patient characteristics and preferences.

(3) "Home health care agency" has the same meaning as provided in section 19a-490 of the general statutes.

(4) "Home telemonitoring service" means a health service included in an integrated plan of care written by a treating physician that requires (A) scheduled remote monitoring of data related to a patient's health, including, but not limited to, monitoring of the patient's blood

pressure, heart rate, weight and oxygen level, (B) interpretation of transmitted data by a home health care agency licensed pursuant to chapter 368v of the general statutes, (C) dissemination of such data by such home health care agency to a treating physician, and (D) follow-up by a health care professional in the home or referrals for care as determined medically necessary by a treating physician.

(b) To the extent permissible under federal law, the department may provide coverage through the Money Follows the Person demonstration project for services performed by a home health care agency using a home telemonitoring service for a Medicaid beneficiary with (1) serious or chronic medical conditions that may result in frequent or recurrent hospitalizations and emergency room admissions, (2) a documented history of poor adherence to ordered medication regimes, (3) a documented history of falls in the six-month period prior to evaluation of the need for home telemonitoring services, (4) limited or absent informal support systems, (5) a documented history of challenges with access to care, or (6) a history of living alone or being home alone for extended periods of time. The department shall establish coverage criteria for home telemonitoring services based on evidence-based best practices.

(c) The department shall ensure that clinical information gathered by a home health care agency while providing home telemonitoring services is shared with the patient's treating physician and may impose other reasonable requirements on the use of home telemonitoring services.

(d) The department shall study the impact of telemonitoring services on factors including, but not limited to, health care outcomes, cost, beneficiary level of independence and beneficiary quality of life. Not later than January 1, 2017, the department shall submit a report on the findings of such study, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to human services.

(e) The transmission, storage and dissemination of data and records related to home telemonitoring services shall be in accordance with federal and state laws and regulations concerning the privacy, security, confidentiality and safeguarding of individually identifiable information.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2015*	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 $	FY 17 $
Social Services, Dept.	GF – Uncertain	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

There may be a fiscal impact to the Department of Social Services (DSS) if DSS chooses to provide coverage for telemonitoring through the Money Follows the Person Demonstration project (MFP), which is a Medicaid program; the impact is uncertain. The state's MFP does not currently provide telemonitoring services or have a telemonitoring reimbursement policy. The impact will depend on (1) the extent to which telemonitoring will be utilized by Medicaid MFP clients, (2) the impact of telemedicine on total overall utilization of services covered by MFP clients, and (3) patient outcomes.[1] Secondly, the bill requires DSS to study the impact of telemonitoring services and report to the General Assembly by January 1, 2017. The study is not anticipated to result in a cost to DSS.

Various case studies have suggested net health care savings from telemonitoring, primarily resulting from reduced hospital readmission, particularly for individuals with chronic diseases. It is important to note, it is uncertain from the following case studies what the upfront technology and personnel costs were and the time lag before a return on investment was realized through a reduction in overall health care

[1] The State Innovation Model (SIM), which includes Medicaid, is reviewing telemedicine.

costs.

Case 1: The Partners HealthCare program out of the Center for Connected Health did a study on their telehealth/telemonitoring program for individuals with cardiac disease and reported net savings over a seven year period of approximately $10 million for 1,265 patients (net savings per patient of $8,155).[2] The Partners' program savings included participants predominately enrolled in public programs (e.g. Medicare, Medicaid and the state's safety net program).

Case 2: The Veterans Health Administration (VHA) started its telehealth program as a multisite pilot program and as of 2010 had over 300,000 lives in its Care Coordination/Home Telehealth Program.[3] The VHA reported cumulative net benefits of $3 billion since the program's inception in 1990. Savings are attributable to a reduction in redundant services and improved quality and health outcomes. The VHA program provides biometric information to remote monitoring care coordinators for individuals with various conditions, including heart failure, diabetes and Post Traumatic Stress Disorder (PTSD). The VHA reports annual costs per patient of $1,600.

House "A" made the following changes: (1) made Medicaid coverage of telemonitoring permissive, (2) if implemented coverage would be provided under MFP, and (3) require DSS to conduct a study of telemonitoring. These changes result in the fiscal impact discussed above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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[2]*Source*: Broderick, A., (2013). *Partners HealthCare: Connecting Heart Failure Patients to Providers Through Remote Monitoring*. Case Studies in Telehealth and Adoption; The Commonwealth Fund.

[3] *Source*: Broderick, A., (2013). *The Veterans Health Administration: Taking Home Telehealth to Scale Nationally*. Case Studies in Telehealth and Adoption; The Commonwealth Fund.

OLR Bill Analysis

HB 6149 (as amended by House "A")*

AN ACT CONCERNING MEDICAID COVERAGE OF TELEMONITORING SERVICES.

SUMMARY:

This bill allows the Department of Social Services (DSS), to the extent permissible under federal law, to provide Medicaid coverage through the Money Follows the Person (MFP) demonstration program (see BACKGROUND) for home telemonitoring services performed by a home health care agency for a Medicaid beneficiary in certain circumstances or with certain health conditions.

The bill (1) allows DSS to seek a waiver from federal Medicaid requirements or a Medicaid state plan amendment if needed to provide such coverage and (2) requires DSS to adopt regulations, in accordance with the Uniform Administrative Procedures Act, to implement the bill's provisions.

*House Amendment "A" (1) allows, instead of requires, DSS to provide coverage for telemonitoring services; (2) narrows the recipients of telemonitoring services to those Medicaid recipients in MFP, rather than any Medicaid recipient, and makes a conforming change; (3) eliminates a requirement in the original bill (File 17) that DSS adopt regulations to implement the bill; and (4) adds the study requirement.

EFFECTIVE DATE: July 1, 2015

HOME TELEMONITORING SERVICE

Definitions

The bill defines "home telemonitoring service" as a health service

included in an integrated plan of care written by a treating physician. The plan must require:

1. scheduled remote monitoring of a patient's health data, including blood pressure, heart rate, weight, and oxygen level;

2. a licensed home health care agency to interpret the transmitted data and send the data to a treating physician; and

3. a health care professional to follow-up in the home or the treating physician to refer the patient for care as determined medically necessary.

The bill defines a "home health care agency" as a public or private organization, or such an organization's subdivision, that provides professional nursing services and certain other services 24 hours per day in the patient's home or a substantially equivalent environment. The agency must (1) provide professional nursing services and at least one additional service directly and all other services directly or through contract and (2) be available to enroll new patients seven days per week, 24 hours per day.

Eligible Beneficiaries

Under the bill, home telemonitoring services may be used for a Medicaid beneficiary with:

1. serious or chronic medical conditions that may result in frequent or recurrent hospitalizations and emergency room admissions;

2. a documented history of (a) poor adherence to ordered medication regimes, (b) falls in the six-month period before evaluation for the services, or (c) challenges with access to care;

3. limited or absent informal support systems; and

4. a history of living alone or being home alone for extended time periods.

The bill requires DSS to establish coverage criteria for home telemonitoring services based on evidence-based best practices (i.e., the integration of the best available research with clinical expertise in the context of patient characteristics and preferences).

Data-Sharing and Protection

Under the bill, DSS must ensure that the information the home health care agency gathers while providing home telemonitoring services is shared with the patient's physician. The bill allows the department to impose other reasonable requirements on the use of such services.

Additionally, the bill requires the transmission, storage, and dissemination of data and home telemonitoring records to comply with federal and state laws and regulations concerning the privacy, security, confidentiality, and safeguarding of individually identifiable information.

BACKGROUND

MFP is a federal demonstration program that allows states to move people out of nursing homes or other institutional settings into less restrictive, community-based settings. The 2010 federal health care reform law extended the demonstration period through September 2016.

To qualify for the program, an individual must have lived in a nursing home or other institution for at least 90 days and, if not for the community-based services provided under the demonstration, would have to remain in the institution. For the first 12 months that the participant lives in the community, the federal government pays an enhanced federal Medicaid match. (In Connecticut, the normal Medicaid match is 50%, and the enhanced demonstration match is up to 75%.)

COMMITTEE ACTION

Human Services Committee

Joint Favorable
Yea 18 Nay 0 (02/17/2015)

Public Health Committee

Joint Favorable
Yea 27 Nay 0 (04/08/2015)